

OFFICIAL GAZETTE

GOVERNMENT OF GOA

EXTRAORDINARY

No. 2

GOVERNMENT OF GOA

Department of Cooperation

Notification

10-8-90-Fin (R&C).

The Government of Goa is pleased to make the following Scheme for the cooperative institutions in the State of Goa, namely: —

CHAPTER-I

1. *Short title, commencement and application.* —
(a) This Scheme may be called the Goa State Agricultural and Rural Debt Relief Scheme, 1990.

(b) It shall be deemed to have come into force with effect from 15-5-1990.

(c) It shall apply to all eligible loans of cooperative banks, primary agricultural credit societies, large size multipurpose societies, farmer service cooperative societies as defined hereinafter.

2. *Definitions.* — In this Scheme, unless the context otherwise requires, —

(a) "agriculture" includes horticulture, animal husbandry, forestry, dairy and poultry farming, pisciculture (fisheries) and other allied activities whether or not undertaken jointly with agriculture and the expression "agricultural operations" shall be construed accordingly;

Explanation: Loans taken by pawning gold and other jewels for agriculture as defined above will be covered under this Scheme.

(b) "artisan" means an individual who is engaged in any activity of rural development relating to cottage and village industry, handicrafts, weaving and other rural crafts;

(c) "bad crop year" means a year resulting in a crop yield for which the "annevari" declared for the crop yield was fifty percent or less of the normal yield;

(d) "borrower" means an individual farmer, weaver or artisan or landless cultivator who had taken loans from one or more banks for any activity of agriculture or an individual borrower for an artisan activity, and who is a non-wilful defaulter;

(e) "bank" means the Goa State Cooperative Bank Ltd., a primary cooperative society, state land development bank and primary land development bank lending to individuals for agricultural or artisan activity;

Explanation: Primary cooperative society includes Primary Agricultural Credit Societies, Large Size Multi-Purpose Societies, Farmers' Service Societies, Dairy and Primary Industrial Cooperative Societies lending to artisans.

(f) "effective date" means 2nd October, 1989;

(g) "eligible loan" means

(i) that part of short term loans including converted / rescheduled medium term loans, availed of by an individual borrower on or after 1st April, 1986 and instalments of term loan falling due after 2nd October, 1986 which was overdue to a bank as on the effective date and includes overdue interest;

Explanation: The concept of "annevari" will apply to the above category of eligible loans.

(ii) "chronic overdues" means overdues including overdue interest of an individual farmer, weaver or artisan or landless cultivator who borrowed loan or loans from one or more banks, and had overdues with such banks aged more than three years as on the effective date;

Explanation: The concept of "annevari" will not apply to this category of eligible loans.

(iii) the loans taken by a borrower who has died on or before the effective date;

Explanation: The concept of "anne-wari" will not apply to this category of eligible loans.

- (iv) the overdue loan of a borrower who has been declared insolvent or whose petition is pending in Court on or before the effective date for being declared insolvent subject to the provisions of clause 3 of this Scheme;

Explanation: The concept of "anne-wari" will not apply to this category of eligible loans.

Explanation: (1) In the case of an artisan the expression "short term loan" shall include working capital loan or cash credit limit availed of and the expression "term loan" shall include block capital loan or composite loan. A working capital loan is in the nature of running account like cash credit. Block capital loan is a term loan which is payable within a period of not less than three years. A composite loan will have the elements of both the working capital and block capital loans;

(2) "medium term converted loan" would mean a short term production loan which has been converted into medium term loan due to natural calamity. The medium term rescheduled loan would be a medium term converted loan, the maturity of which has been extended;

(h) "non-wilful defaulter" is a borrower of loan who did not repay the loan or loan instalments due and experienced two or more years whether consecutive or not, which were bad crop years, one of which was the year in which the default occurred. In the case of artisan or weaver, non-repayment because of loss of assets will also be treated as non-wilful default;

Explanation: In the case of a borrower having chronic overdues it will be presumed that he did not have capacity to pay and as such he will be classified as non-wilful defaulter.

(i) "wilful defaulter" is a borrower of loans for agriculture who did not repay the loan instalments due in that year which was not a bad crop year.

CHAPTER-II

3. *Relief and its extent.* — The banks shall provide debt relief upto a limit of Rs. 10,000/- to a borrower of eligible loan.

4. *Identification of borrower and determination of eligible loan.* — (1) The quantum of all eligible loans to be waived shall be determined by the Chairman/Manager of each of the banks. The quantum of eligible loans so determined shall after due verification and scrutiny be sanctioned and approved for waiver by the Board of Directors of the Goa State Cooperative Bank Ltd. and which loan so approved shall be waived in the manner provided under clause 5.

(2) The Goa State Cooperative Bank Ltd. shall function as "Nodal Agency" for implementation of this Scheme. The Chief Executive of the said bank will act as coordinator for implementation of this Scheme and he would convene meetings of the

Managers of the branches of the Cooperative Bank, Primary Agricultural Credit Societies, Farmers' Service Societies, Large Size Multi-Purpose Societies, etc., to:

(a) compile a list of borrowers with details of their principal, interest and overdues, as required under this Scheme, and

(b) verify whether the village to which the borrower belongs has experienced a bad crop year in terms of the "anne-wari system".

Subject to these conditions, the debt relief to eligible borrowers will be provided automatically without any reference to the State Government or the Registrar of Cooperative Societies.

5. *Adjustments in the loan accounts.* — (1) If the waiver amount is sufficient to clear the outstanding principal and interest, such accounts shall be closed and the borrowers will be advised in writing by the Goa State Cooperative Bank Ltd., about the extent of relief provided and the closure of the account. In the cases where the principal and the interest exceeds Rs. 10,000/- such borrower shall be advised about the relief provided to them and the balance outstanding in the account by the said bank. Such borrower shall also be advised to repay the balance amount.

(2) Credits may be given in the eligible loan accounts to the extent of the outstanding principal and interest subject to the maximum of Rs. 10,000/- and the aggregate amount held in the account called "Receivable From The Government Under Debt Relief Scheme" till the amount is received from the State Government.

Explanation: The interest shall be adjusted first and then the balance will be adjusted against the principal.

6. *Eligibility of beneficiaries for fresh loans.* — All borrowers whose loan accounts are closed under clause 5(2) of this Scheme, shall be considered as eligible for fresh loans and advances by the bank for the ensuing seasonal agricultural operations. Provided however, that any such borrower who failed to repay any loan or loan instalment falling due after the effective date, is considered as defaulter.

7. *Submission of claim statement.* — The Goa State Cooperative Bank Ltd., shall prepare and submit consolidated claim statements in respect of the amount of relief to the State Government for payment.

8. *Interest claims.* — (1) The claim statements submitted to the State Government shall cover interest due on the outstanding loan amounts only upto and inclusive of the effective date and not beyond.

(2) The interest that has accrued on the outstanding loan amounts after the effective date till the date of adjustment of the said loan as provided hereinafter shall be borne and paid to the financing bank by the beneficiary.

9. *Payment of the claim amount.* — (1) In order to maintain the liquidity of the Goa State Cooperative Bank Ltd., the National Bank for Agriculture and Rural Development would provide part of the Government of India's share by way of an advance to the said bank.

(2) Subject to the payment made by the Government of India, the National Bank for Agriculture and Rural Development shall, as soon as possible, but not later than three months from the date of receipt of the claims, complete the payments of the full amount in respect of the eligible loans after such scrutiny as it may deem proper to make.

10. *Adjustment of claims in proportion to the loans availed of.* — In cases where the borrower has taken loans from more than one bank, the claim amount shall be adjusted in proportion to the amount of loan taken from each of these banks.

11. *Receipt of claims.* — All payments made by the State Government towards the claim statements received by it shall be made to the Goa State Cooperative Bank Ltd., at its Head Office at Panaji.

12. *Publicity for the Scheme.* — A copy of this Scheme shall be printed in Konkani and Marathi and displayed on the notice-board of the banks as defined in this Scheme.

13. *Administrative guidelines.* — The Government will issue suitable guidelines, if necessary, for the smooth and expeditious implementation of this Scheme.

By order and in the name of the Governor of Goa.

D. N. Accawade, Under Secretary (Cooperation)
to the Government of Goa.

Panaji, 3rd September, 1990.